

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

 $\begin{array}{c} {\rm JON~M.~HUNTSMAN,~JR.} \\ {\rm \it Governor} \end{array}$

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:			
Company	Kit Pappas Environmental Coordinator		
OGM	Karl Houskeeper Environmental Scientist III		

Inspection Report

Permit Number:	C0070020		
Inspection Type:	COMPLETE		
Inspection Date:	Friday, September 23, 2005		
Start Date/Time:	9/23/2005 10:00:00 AM		
End Date/Time:	9/23/2005 2:00:00 PM		
Last Inspection:	Friday, August 26, 2005		

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Cloudy, 72 Deg F
InspectionID Report Number: 736

Accepted by: pgrubaug 10/3/2005

Permitee: HIDDEN SPLENDOR RESOURCES INC Operator: HIDDEN SPLENDOR RESOURCES INC

Site: HORIZON MINE

Address: 3266 S 125 W, PRICE UT 84501

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages Minera

Total Permitted	1,998.99
Total Disturbed	9.50
Phase I	
Phase II	
Phase III	

ineral Ownership	Types of	Operations

✓ Federal	✓ Underground
State	Surface
County	Loadout
✓ Fee	Processing
Other	Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

No violations.

Inspector's Signature

Date

Friday, September 23, 2005

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Permit Number: C0070020 Inspection Type: COMPLETE

Inspection Date: Friday, September 23, 2005

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		✓	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives	✓			
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments		✓		
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓			
10.	Slides and Other Damage	✓			
11.	Contemporaneous Reclamation	✓			
12.	Backfilling And Grading	✓			
13.	Revegetation	✓			
14.	Subsidence Control	✓			
15.	Cessation of Operations	✓			
16.8	a Roads: Construction, Maintenance, Surfacing	✓			
16.	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities	✓			
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check	✓			
20.	Air Quality Permit	✓		✓	
21.	Bonding and Insurance	✓			
22.	Other	✓			

Permit Number: C0070020 Inspection Type: COMPLETE

Inspection Date: Friday, September 23, 2005 Page 3 of 3

1. Permits, Change, Transfer, Renewal, Sale

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

The current DOGM permit C/007/020 was issued effective 07/01/2003 and expires 10/11/2006.

- -Certificate of Insurance policy number 37111052, issued 06/01/2004 and terminates 06/01/2005.
- -UPDES permit UTG040000 (General) UTG040019 (Site Specific) effective 05/01/2003 and expires midnight 04/30/2008.
- -Air Quality permit DAQE-700-70, issued November 7, 2000.
- -SPCC Plan dated September 2003.

No violations.

2. Signs and Markers

The mine ID sign was observed at the point of public access to the mine. The sign contained the name of the mine, permit number, and MSHA number. The sign has been modified to include the address and phone number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The last pond inspection was conducted on 9/22/05. No problems were noted during the inspection.

4.d Hydrologic Balance: Water Monitoring

Second quarter 2005 water monitoring has been entered into and uploaded into the EDI website. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

The August 2005 discharge monitoring reports were viewed during the inspection. Outfall 001a did not discharge. Outfall 002a discharged at a rate of 350 gpm, no parameters were exceeded.

20. Air Quality Permit

The Air Quality Permit Approval Order DAQE-700-00 was issued on November 7, 2000 and remains in effect.